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July 13, 2015

Emily Schmitt c/o Meredith Robertson

Automotive Oil Change Association
330 N. Wabash Ave., Suite 2000, Chicago, IL 60611

Tammy Neal

National Oil and Lube News
2345 50th St., Lubbock, TX 79412

Dear Ms. Schmitt and Ms. Neal,

I wanted to take a moment to respond to Ms. Schmitt's recent column in the National Oil and Lube News July 2015 issue titled "Name-Brand vs. Off-Brand Oils: a Service Offering Conundrum." I am very disappointed that your column failed to provide the reader with a balanced opinion when comparing name-brand versus off-brand oils. The column presented information from a Shell representative and a college instructor, but failed to give the opportunity for an Independent Lubricant Manufacturer® (ILMA) member to have a voice in your discussion.

While I do not disagree with most of your column, I do take issue with the implication that lubricants manufactured by "off-brand" companies, which I will take to mean non-major oil companies or ILMA members, are of less quality. There are many ILMA members that make exceptional products, including my company, Martin Lubricants, under the Unimark™ brand. We sell only API® licensed products under the Unimark® name and use the very same additive chemistries as the companies that are considered "name-brand" or "majors." In fact, we even buy our base oil from the majors and source additive packages from some of their additive companies. The quality spectrum for API® and Dexos® is so narrow that differences between any qualifying products are virtually nil.

The main difference between many ILMA members and the majors is that our organizations avoid a bunch of marketing and overhead costs allowing us to keep prices down. At Martin, we do not have huge staffs of technology people, multi-million dollar marketing budgets for TV ads, or race teams. Instead, we pass those savings directly to our customers providing them a better value. They compromise nothing in terms of quality to save money.

Make no mistake, there are nefarious marketers and manufacturers in the oil business and there always has been. ILMA and its representatives work tirelessly to ensure that our membership does not include any businesses who do not meet the standards and ideals set forth by the organization. Customers can and should ask questions about what goes into their vehicles and service providers should be honest with them. However, just because the label is not from a major does not necessarily mean it is not a quality product.

Best regards,

Doug Towns

Vice-President Martin Lubricants

Enclosure: Name-Brand vs. Off-Brand Oils: A Service Offering Conundrum Column, July 2015 NOLN

cc: Holly Alfano, Executive Director of ILMA; Brenda Gillinson, Senior Communications Manager of ILMA; Steve Hurt, Publisher of NOLN; Eliseo Torres, Associate Publisher/Marketing Director of NOLN



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Name-Brand vs. Off-Brand Oils: A Service Offering Conundrum

by Emily Schmitt



One of the toughest decisions quick lube owners face is choosing which oil to use in their oil change offerings — particularly, their basic oil change.

Should you use name-brand oil that costs more or should you use an off-brand oil to keep costs down? If you choose to use off-brand oil, should you advertise it? Industry professionals say it boils down to following some best practices:

1. First, quick lubes must define what their brand means.

Don Moser, team lead for Shell Lubricants Marketing Operations in North America, said every quick lube must first define what their shop's brand means. This will help them determine what types of oils to carry.

Quick lubes should ask themselves: What does my business stand for in the market? Is it quality or is it lower prices? Moser said when it comes to products, the two rarely go hand in hand.

"Quality versus low price are two considerations, and they rarely come together," Moser said. "You're not going to get the highest quality at the lowest price."

2. Customers should know what kind of oil is going into their cars.

Justin Hoffman, automotive instructor for Gateway Technical College, said no matter what brand of oil you choose to stock or use in your basic oil change service, the customer has a right to know what kind of oil you're using.

Ultimately, Hoffman said, it comes down to building trust with your customers.

"There are plenty of customers out there who don't know much about cars, but they know about quality oils," Hoffman said. "Customers who feel they can trust you will stay with you — that's where you make your money."

3. Be careful not to unintentionally trick your customers.

It's also important to clarify what brand of oil you use in your different services. Moser said sometimes customers will assume you're using name-brand oil, even if it's not the case.

"There's a perception among consumers if you have a high-quality package for your quick lube service basic oil change, you're using a high-quality product as well," Moser said. "They assume if this is a really nice facility, they have really good brands."

Moser added the most destructive thing you could do in terms of your relationships with your customers is let them assume something that is different from reality.

"Building a strong, lasting business [comes down to] relationships with their customers," Moser said. "It's just like a marriage: You can't keep secrets from your spouse."

Instead, Moser said you should be upfront with your customers about what the differences are between your service offerings and help them make informed decisions about which offering is best for them.

4. Educate your customers.

Of course, education is key. Hoffman said the quick lube he works for built trust among its customers by educating them on their different change offerings. The quick lube offers two oil changes at two different prices — the more expensive oil change used a name-brand oil, and the less expensive oil change used an off-brand, bulk oil. The owner explained the differences in the two oil changes to the customers. What they found is once they educate customers on these differences, customers often chose the higher-priced oil change.

"I feel it's our job to educate our customers on why our prices are different," Hoffman said. "I compare it to a restaurant. There's a reason why you can get a burger for \$3 at McDonald's and pay \$9 at a sit-down restaurant. It has a lot to do with the ingredients."

Moser agreed. He said customers should be educated and have the option to choose what's best for them.

"Give the rationale to your customers — they'll accept that — but then a choice to say, 'I know it was cheaper for you, but I'd rather pay more for a brand I trust.' That will go much further than you just try to slip something in," Moser said. ♦

EMILY SCHMITT is editor at the Automotive Oil Change Association. For more information on membership in AOCA, call 800.230.0702 or visit: www.aoca.org

